

REVISED LEGISLATIVE DIGEST

(11/9/2015, Amended in Committee)

[Development Agreement - 5M Project, LLC - Fifth and Mission Project]

Ordinance approving a Development Agreement between the City and County of San Francisco and 5M Project, LLC, a Delaware limited liability company, for the Fifth and Mission Project at the approximately 4-acre site located at Fifth Street between Mission and Howard Streets, with various public benefits including a minimum percentage of affordable housing; making findings under the California Environmental Quality Act, findings of conformity with the General Plan, and with the eight priority policies of Planning Code, Section 101.1(b); approving the use of Impact Fees and Exactions for affordable housing and other community benefits, as set forth in the Development Agreement, and waiving any conflicting provision in Planning Code, Article 4, or Administrative Code, Article 10; authorizing the acquisition of real property at 967 Mission Street for affordable housing; and confirming compliance with or waiving certain provisions of Administrative Code, Chapters 14B and 56, and ratifying certain actions taken in connection therewith.

Background Information

Existing Law

California Government Code section 65864 *et seq.* (the Development Agreement Statute”) and San Francisco Administrative Code Chapter 56 (“Chapter 56”) authorize the City to enter into a development agreement regarding the development of real property.

Amendments to Current Law

This ordinance approves a development agreement between the City and County of San Francisco and 5M Project, LLC (“Developer”) in accordance with the Development Agreement Statute and Chapter 56. The development agreement would provide to Developer the right to develop the project site as described in the development agreement. There are no proposed amendments to Chapter 56.

Background Information

Under the development agreement, Developer will attain the vested right to develop the proposed project on the nearly 4-acre site located between Mission, Fifth and Howard Streets. The proposed project is a mixed-use development of new construction and renovated existing buildings, with 3 new buildings and 4 retained buildings, and contains up to 1,697,600 gross square feet (“gsf”) of building space. The project includes up to 821,300 gsf of residential uses (approximately 690 units), 807,600 gsf of office uses, 59,500 square feet of open space

and approximately ~~331~~ 463 vehicle parking spaces, 429 Class 1 bicycle spaces and 66 Class 2 bicycle spaces. The term of the development agreement is 15 years.

By approving the ordinance, the Board would approve the use of impact fees and exactions for affordable housing and other community benefits, as set forth in the development agreement, and would waive any provision in Planning Code Article 4 and Administrative Code Article 10 that would conflict with the described uses. Accordingly, initial funds paid by Developer would be applied toward the creation of affordable housing and later funds would be applied toward transportation and other benefits. The Board is also confirming compliance with Administrative Code Chapters 14B and 56 or waiving any conflicting provision.

The Director of the Mayor's Office of Housing and Community Development would be authorized to acquire certain real property located at 967 Mission Street for the development of affordable housing, or in the alternative, to accept funds to be used for affordable housing as set forth in a transfer agreement that is attached to the development agreement.

By separate legislation, the Board is considering a number of actions in furtherance of project, including the approval of amendments to the City's General Plan, Planning Code and Zoning Map.

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